

**7/12/78 [2]**

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# WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Califano to Pres. Carter, w/attachments 20 pp., re: recommendations	6/5/78	C
Letter	Cong. Krueger to Pres. Carter, w/attachments 6 pp., re: personal/press matter	6/28/78	C
Memo	Powell to Pres. Carter, w/attachments 6 pp., re: SALT mtg. personnel	7/10/78	C
Memo	<del>Moore &amp; Beckel to Pres. Carter, w/attachments 3 pp., re: Comprehensive Test Ban Treaty</del> <i>opened per RAC NAC-126-13-21-1-3, 6/12/18</i>	7/11/78	A
Memo	Moore to Pres. Carter, w/attachments 12 pp., re: defense appropriations	7/11/78	A

## FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of the Staff Sec.-Presidential Handwriting File, 7/12/78 [2] Box 95

## RESTRICTION CODES

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THE WHITE HOUSE  
WASHINGTON

July 12, 1978

The Vice President

The attached was returned in the President's outbox today and is forwarded to you for your information. The original has been sent.

Rick Hutcheson


, TIMBER POLICY



OFFICE OF THE VICE PRESIDENT

WASHINGTON

July 12, 1978

MEMORANDUM FOR: THE PRESIDENT  
FROM: THE VICE PRESIDENT   
SUBJECT: TIMBER POLICY STUDY

On April 11th, you requested a 30-day timber policy study as part of the Administration's anti-inflation effort. Although substantial analysis has been done, the study is being held up at the staff level in the Department of Agriculture. I think it would be helpful to send the attached note to Secretary Bergland in the hope of speeding action on a decision memorandum for review upon your return from the Economic Summit. I would suggest that you sign and send this note to the Secretary.

THE WHITE HOUSE

WASHINGTON

July 12, 1978

MEMORANDUM FOR THE SECRETARY OF AGRICULTURE

As you know, on April 11, 1978 I outlined a program to reduce inflation. As a part of that program I announced a thirty day study of the feasibility of increasing the lumber yield from federal and private lands. The May 11 deadline for the completion of this study has long since expired. So that I can make timely decisions in this area I would like to review this study as soon as I return from Europe.

Jimmy Carter

No further delay.

J

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

July 12, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: MIDGE COSTANZA *mc*

RE: ERA

ERA is at an extremely critical point on the Hill.

Congressman Edwards postponed the vote in the Judiciary Committee on July 11 for lack of sufficient support. The vote is scheduled for Tuesday, July 18. Chances of postponing a vote beyond that date are nil.

18 votes are required; 16 votes are committed. There is consensus that a final push must come from the White House to obtain the additional votes needed.

I proposed the following actions which have been discussed and are agreed to by Congressional Liaison, Representatives Don Edwards, Liz Holtzman, Margaret Heckler, and others:

PRIORITY I: That you meet with Congressman William Hughes (N.J.) and Congressman Lamar Gudger (N.C.) prior to your departure for Europe. Both support extension, but for a 3-year period instead of the compromise 4-year extension worked out by Edwards and the women's groups. Purpose of the meetings:

- 1) Thank them for supporting extension
- 2) Ask them to support the 4-year compromise
- 3) Ask them to follow leadership of Edwards and Chairman Rodino to oppose rescission, 2/3 vote on the floor, and any other amendments.

PRIORITY II: That you call Congressman Harold Volkmer (MO) to request his support of the 4-year extension. Volkmer prides himself on his independence, has indicated he does not support extension, but may be susceptible to an appeal from the President.

PRIORITY III: That you call Congressman Romano Mazzoli (KY) to request his support. Mazzoli has been opposed and

has shown no sign of changing, but again may be susceptible to a phone call from the President. He will be difficult to change and will require a "hard sell".

PRIORITY IV: That you call Congressman Hamilton Fish who is considered supportive and is playing a leadership role on the Republican side. It would be helpful to shore up his position via a phone call from the President thanking him for his efforts.

I have listed the above in priority order in view of your very tight schedule prior to leaving for Europe. All of the above are critical, however, and it would be most helpful if all could be done.

THE WHITE HOUSE  
WASHINGTON  
July 12, 1978

Nelson Cruikshank

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutcheson

cc: Hugh Carter



	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION  
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

	VICE PRESIDENT
	EIZENSTAT
	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
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	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE  
WASHINGTON

SUGGESTED NOTE FOR SECRETARY JOSEPH A. CALIFANO, JR.

It is important to me and to the goals of my Administration to have the benefit of an effective Federal Council on the Aging. This can be realized only with your support and cooperation. Accordingly, I am asking you to assure that Nelson Cruikshank, as both Chairman of the Federal Council on the Aging and as my Counsellor on Aging, is provided with staff support and resources to enable him to carry out the duties that I have assigned him and to enable the Council to carry out those duties mandated by the Congress. This will require no more than four additional professional positions with necessary supportive services.

/s/ Jimmy Carter

*I  
Called  
Joe*

*J*

1:15 PM

THE WHITE HOUSE  
WASHINGTON

July 11, 1978

MEETING WITH SENATORS JOHN STENNIS (D-MISS.),  
HENRY JACKSON (D-WASH.), THOMAS MCINTYRE (D-N.H.),  
SAM NUNN (D-GA.).

Wednesday, July 12, 1978  
1:15 P.M. (15 minutes)  
Cabinet Room

From: Frank Moore *F.M./BR*  
Bob Beckel *BB*

I. PURPOSE:

To discuss Comprehensive Test Ban Treaty.

II. BACKGROUND, PARTICIPANTS AND PRESS PLANS

Background: Senator Stennis has requested a meeting with you to discuss the CTBT. He is inviting Senators Jackson, McIntyre, Nunn, and may ask a Republican member of the Armed Services Committee to join the meeting.

Stennis has been under pressure from conservative members of the Committee to hold hearings on the progress and substance of the CTBT. Stennis is troubled by conflicting reports he is receiving on the terms of the Treaty, specifically; test yield, stockpile maintenance, verification, and duration of the agreement. You can expect specific questions concerning these items.

Committee staff reports a surge of interest in CTBT after news reports of agreement on zero yield. Opponents of CTBT and SALT want hearings to put the JCS on record opposing CTBT, and to raise questions about SALT negotiations. We believe Stennis would prefer not to hold hearings and has not yet scheduled any, but he will need reassurances from you that the Treaty is in our national interest and that premature hearings could be harmful to the negotiations.

Participants: The President, Sens. Stennis, Jackson, McIntyre, Nunn, Frank Moore, Dr. Brzezinski

Press Plans: White House photographer only.

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ESDN: NLC-126-13-21-1-3

TALKING POINTS

BY LS NAPA DATE 6/10/13

You will have to decide how much you ought to tell this group at this stage. To refresh your memory, the situation is as follows:

1. You have met with the directors of our nuclear weapons laboratories to gain a better understanding of nuclear weapons design and of their concerns about a CTB. The key CTB issues have been thoroughly studied on an interagency basis within the SCC process. You have reviewed these studies and the agency recommendations in reaching your decision on instructions for our delegation.

2. It is clear that there are some risks involved in a CTB -- these include maintaining reliability of our weapons, retaining essential personnel at our laboratories and the effect of possible Soviet cheating at low levels. These risks must be balanced against the benefits a CTB would offer in furthering our objectives, restraining Soviet strategic force modernization, our bilateral relationship with the Soviets, and our general efforts for non-proliferation.

3. The non-proliferation benefits are particularly important. You had a lengthy conversation with India Prime Minister Desai in which he told you that a CTB which permitted kiloton-level testing would "open the flood gates for proliferation." He indicated that India would sign a non-discriminatory CTB agreement. This could be very important in influencing Pakistan and other "threshold" countries to sign the CTB and in generally reinforcing the NPT.

4. With these risks and objectives in mind, you have decided to seek a three year duration CTB agreement banning all tests except that routine scientific experiments of less than a hundred pounds of yield would be permitted. The agreement will include provision for on-site inspection and installation of seismic monitoring stations within the Soviet Union. You will announce that it is your intention to resume testing after three years unless a vigorous Safeguards Plan and studies in the interim show this is not needed.

5. In the third year we can consider any stockpile problems, non-proliferation gains, and Soviet compliance in determining whether to seek a replacement agreement. Any such replacement agreement would again be forwarded to the Congress for action.

6. All Agencies support this new approach. The Joint Chiefs agree that it is responsive to their concerns, but remain concerned about the risks. They reserve final judgement until the details of the treaty and its non-proliferation benefits become

~~SECRET~~

~~SECRET~~

-2-

clearer.

7. With this in mind, it would be more useful to hold hearings at a later time. This would also minimize any adverse impact on the negotiations. You are not going to agree to any CTB that does not fully protect our security and provide for essential confidence in our nuclear capability.

~~SECRET~~

FRANK W. MAYBORN  
TEMPLE, TEXAS

NA  
J

July 10, 1978

The President  
The White House  
Washington, D. C.

Dear Mr. President:

Pursuant to your kind note following your Fort Hood visit, I thought you might like to glance over our editorials following and before your visit and also comments of appreciation to us on our editorial from General Graham, who supervised the exercise you witnessed.

As you will recall, I mentioned when greeting you upon your arrival, Bell County is "Carter Country", and I am sure you got this feeling during your visit here.

Sincerely,

*Frank W. Mayborn*

Frank W. Mayborn

FWM:ew

Enclosures

*Arrived Contained List*



DEPARTMENT OF THE ARMY  
HEADQUARTERS 2D ARMORED DIVISION  
FORT HOOD, TEXAS 76346

AFVB-CG

29 June 1978

Mr. Frank W. Mayborn  
P. O. Box 188  
Temple, Texas 76501

Dear Frank,

This morning's Temple Daily Telegram carried an editorial comment entitled "Well Done, Fort Hood." On behalf of all members of the 2d Armored Division I want to thank you for that editorial. As you are well aware, the news media overall was rather derogatory in its comments concerning the cost of the demonstration for President Carter. We were determined to provide him with the type of demonstration which would give him a good insight into our capabilities. As you well know, war or simulation of war is not cheap. In my opinion we accomplished our mission last Saturday.

My few months here at Fort Hood and in Central Texas have restored some of my faith in American people who understand and are willing to take those actions necessary to insure the security of our country. Your support and the support of your paper are deeply appreciated.

Sincerely,

A handwritten signature in cursive script, reading "Charles", is written over the typed name.

CHARLES D. GRAHAM  
Major General, USA  
Commanding

# TEMPLE DAILY TELEGRAM

## Editorial Comment

The Temple Daily Telegram is a politically independent newspaper, placing the public welfare above the interest of any party. Truth and decency are its guiding principles and its daily determination is to print the news without fear or favor.

Published by Bell Publishing Co., 118 W. Ave. A, Temple, Texas 76501

Page Four-A

Thursday, June 29, 1978

## Well Done, Fort Hood

All that talk about the money it cost for the firepower demonstration for President Carter at Fort Hood on Saturday is a little beside the point.

The value of that exercise is inestimable — in terms of the knowledge of the United States Army's weapons systems that President Carter got and the training that those who had a part in the exercise received.

Because of the new weapons technology, making war is costly. Playing war is costly, too, if soldiers are to train under near battlefield conditions. They must have this training before they are called to step into a war.

The type training that President Carter saw happens year-round at Fort Hood; maybe not as concentrated as it was Saturday, but still it is a year-round occurrence. The President's presence gave the troops an incentive to perform their tasks as professionally and as realistically as possible,

outside of actual war. It was a tremendous training incentive and morale booster.

Also, Fort Hood moved at a fever pitch last week, preparing for the President's visit and rehearsing for the mock battle he saw. It's probably safe to say there was no boredom at the Free World's largest armor post last week, although boredom is a common complaint among the Army's enlisted men.

The \$1 million pricetag for the mock battle was well worth the cost. The stories going around about the budget figure of over \$3 million was only a bookkeeping hedge against an allotment of money to Fort Hood already allocated to the Army by Congress.

The President seemed to like what he saw. He said afterward he thought the expense was completely justified. The Temple Daily Telegram agrees and says, "Well done, Fort Hood. You're a credit to your country and to Central Texas."



# TEMPLE DAILY TELEGRAM

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Published by Bell Publishing Co., 118 W. Ave. A, Temple, Texas 76501

Page Four-A

Friday, September 23, 1977

### We Can Take Pride In Mr. Carter

Those who witnessed President Carter's press conference Wednesday afternoon, when he announced the resignation of his friend and budget director Bert Lance, can take pride in the behavior of the President in the face of—we regret to say—a vengeful and suspicious Washington press corps.

The President was cool, articulate and sincere in fielding questions both sincere and hypothetical. There was no question but that he was deeply distressed by the turn of events which had taken away from his Administration one of its strongest members—a man who was doing a good job. But the President's personal feelings and emotions were controlled as he answered with simplicity and honesty the barrage of questions thrown at him. His full stature came shining through.

When asked if he thought the Bert Lance resignation would hurt him, he forthrightly admitted, "Probably so, to some extent." Without saying so he tacitly admitted that he had made a mistake in appointing Lance in view of the turn of events.

But it was obvious that his faith in Bert Lance has not been shaken by the false charges and innuendoes thrown at Lance, that his friendship for Lance remains intact and that nothing has taken place of record which would have forced Carter to ask for Lance's resignation.

On the other hand, he accepted the Lance resignation as the logical development in view of all the turmoil and at a time when he is burdened with many problems and he needs all the help he can get, without any extra baggage to bear.

The Washington press corps, in its traditional manner of sniping at politicians with loaded questions, twisting answers, and a

kick-em-when-they're-down attitude, was more than willing to join forces with Lance's opposition to cast shadows of doubt over Lance in complicated banking matters which few of us can begin to understand.

The press has been punishing Bert Lance for weeks not for what he may or may not have done but for the high principles which the President enunciated during his campaign.

Still, the Washington press corps' role in the "Lance Affair" has been guided more by vindictiveness than by objectivity and the people's right to know. The press has shown itself to be — just like Lance—less than faultless.

All in all, and in contrast to some pundits who came on the air after the speech, it is our opinion that President Carter was not hurt by Lance's resignation to any appreciable extent except in the loss of a very valued public servant who had been skillfully carrying on his job.

This press conference, more than any other, gave the public a true look at the inner man who is Mr. Carter, our President. One cannot help but be heartened by his courage, his honesty and his forthright answers, or fail to wish him every success in trying to carry out the duties of his office. His is a job which is bigger than almost any mortal can handle, and it is refreshing to have a man of honesty and integrity capable of adjusting to events in these times of national crisis.

Hopefully, with the support of the people and the good intentions of our elected representatives, these will be resolved without disaster or any mishap to our great nation.

THE WHITE HOUSE  
WASHINGTON

*Frank Moore*

The attached was returned in  
Mrs. Carter's outbox. It is  
being forwarded to you for  
appropriate handling.

Madeline MacBean

7-13-78

*For e  
Madeline MacBean  
cc's 7/13  
/B*

THE WHITE HOUSE

WASHINGTON

July 12, 1978

*Losalyon -  
make all  
of them*

MEMORANDUM FOR THE PRESIDENT

FROM:

FRANK MOORE

*F.M./BR*

SUBJECT:

Phone Calls on ERA

*J  
made all  
7-12-78  
RSC*

Next Tuesday, July 18, the House Judiciary Committee will hold mark-up for the ERA amendment. The Members will vote on a compromise four-year extension which has been proposed by Rep. Don Edwards (D-Calif) and which the Administration supports. As the Committee is presently two votes short of moving the amendment out and onto the floor, I would like to recommend that you call the following Members and stress the importance of allowing the ERA amendment to reach the House floor. You do not need to address the Edwards' compromise vs. the original 7-year extension. However, if pressured, it should be stated that the Administration is not for any extension under four years.

1. Bill Hughes (D-NJ) -- Originally yes, now saying only three years. The feeling is that he wants to be with us. *don't support 4 yrs. 2 to 3 yrs. reconsider*
2. Lamar Gudger (D-NC) -- Until recently he was firmly "No" but now leaning toward a three-year extension. Juanita Kreps called him and he said he appreciated her call but he's still 50-50. *the 4 yr. work - calling 4 yr. by 1*

Hughes and Gudger are our two best possibilities for agreeing to vote to a four-year compromise. Your call could make the difference. *concerned about*

3. Romano Mazzoli (D-KY) -- Has always been leaning against; however, he appears to be reconsidering. *problem will either or not - best way to get task done - cordially - is best way - new call will - longer period of time*
4. Hamilton Fish (R-NY) -- Privately says he'll vote for the amendment although he has not publicly committed himself. We need to get a firm commitment from him. *will do - hopes he is not only Rep who does*

11:00 AM

THE WHITE HOUSE

WASHINGTON  
July 11, 1978

MEETING WITH SENATOR QUENTIN BURDICK AND  
REPRESENTATIVES BIZZ JOHNSON AND ROBERT ROE

Wednesday, July 12, 1978  
11:00 a.m. (15 minutes)  
The Cabinet Room

From: Frank Moore *J.m./pd*  
Valerie Pinson

I. PURPOSE

To restate your commitment to the concept of Labor Intensive Public Works (LIPW) versus a third round of Local Public Works (LPW III).

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

Background: Chairman Robert Roe of the Economic Development Subcommittee of Public Works held hearings on LPW III and LIPW June 27 - 29. Most of the testimony favored another round of LPW. Roe has over 160 cosponsors on his LPW III bill -- Jim Wright is a strong supporter.

Burdick's subcommittee on Regional & Community Development held hearings on June 15.

There are some very sound economic reasons why the Administration does not want to have a Round III of Local Public Works. The most basic reason is the change in the economic statistics between Spring, 1977 and today. In January of 1977, the unemployment rate was approximately 7.4% on a nationwide basis and higher in the construction trades, and state and local governments faced significant operating deficits. Today, the unemployment rate is down to 5.7% nationwide. Even more startling is that employment in the construction industry has risen 20% in the last 18 months. In fact new construction is booming in many areas of the country. Coupled with the unemployment figure is that the operating surplus at the state and local level is projected to be \$17.6 BILLION for 1978 (based on first quarter figure).

Another feature of Local Public Works that has been overlooked by the advocates of Round III is the ongoing nature of the program. Even though the authorization for Local Public Works has expired, the bulk of the approved projects will be

under construction for some time. Although the Economic Development Administration has fully obligated the authorized amount of \$6.0 BILLION, \$3.8 BILLION has yet to be disbursed. The impact of these amounts will not be felt for some time within the next year or so.

LIPW is less inflationary than Round III. Round III would add long-term expenditures to the budget in the face of a tightening labor market thereby perhaps fueling wage increase demands in future demand for highly paid workers because of the application of the Davis Bacon Act whereas in LIPW, the Davis Bacon Act only applies to 50% of the jobs, the other 50% being paid at apprentice rates.

A final point is that new construction starts have increased by 31% since Congress considered and passed LPW. Obviously, the country does not need a Federal program to compete for the resources needed to fuel \$197 BILLION (annual rate) in construction activity. While the need for a counter-cyclical economic recovery tool was apparent in the Spring of 1977, it is not in the Summer of 1978.

Participants:

1. Bizz Johnson: seems flexible, but will probably insist on some LPW, combined with either a "strengthening" of EDA or LIPW.
2. Robert Roe: Chairman of Economic Development Subcommittee of Public Works. Strong supporter of LPW III.
3. Quentin Burdick: Senator Burdick is not one of our best friends in the Senate, primarily because of his dissatisfaction with our water policy and our failure to appoint enough Democrats from his state to Administration positions. Despite his verbal criticisms, he is often with us on key issues on the domestic front -- particularly if they are traditional Democratic issues.

Other Participants: Secretary Juanita Kreps, Frank Moore, Valerie Pinson, Anne Wexler.

III. TALKING POINTS AND MAJOR ISSUES

LIPW was sent to the hill as part of the Urban Package because:

- A. LPW was basically counter-cyclical -- unemployment was nearly 9% in 1975 (LPW I authorized) and 7.7% in 1976 (LPW II authorized).

- B. A substantial amount of LPW I and II has not yet been disbursed (\$2.2 BILLION of the \$6.0 BILLION).
- C. LIPW is designed to target employment opportunities to structurally unemployed. LPW III by contrast would add to the demand for highly paid labor (as a result of the Davis-Bacon Act).
- D. LIPW goes largely for rehabilitation work which is labor intensive and fulfills goals of energy conservation and historic preservation.

If you are pressed concerning your willingness to compromise we suggest that you adopt a non-committal but open minded attitude. You should indicate that any alternative would need to stay within your budget and be targetted, as our LIPW program is, to help disadvantaged workers. If the Congress presents alternatives consistent with those principles you will be willing to consider them.

We also suggest that you direct your comments to Johnson. Roe is not flexible.

Secretary Kreps will present Senator Randolph's position.

At the conclusion of the meeting you should ask Congressman Johnson to stay a few moments and discuss the airline regulation legislation. The bill appears to finally be moving. Your encouragement at this time would help.

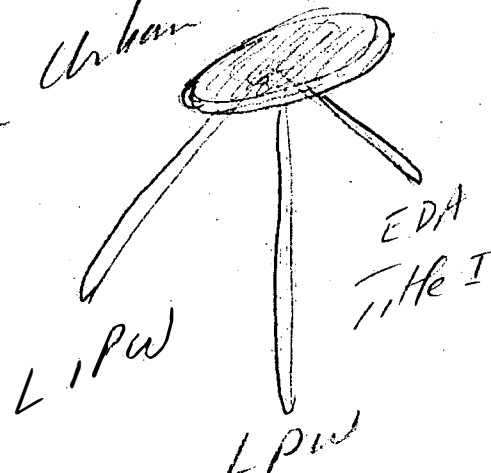
Talking points:

- I deeply appreciate your work getting the airline deregulation bill through the Public Works Committee, and moving the Rules Committee to consider the bill. Not long ago, passage of a deregulation bill in the House seemed very unlikely. We recognize that the bill will be passed due to your commitment and dedication to the issue. This bill is the cornerstone of our effort to reform the federal government and reduce government interference with business. I thank you for your excellent leadership.
- Let us continue to work together to urge the Rules Committee to act quickly and to get the bill considered on the floor as soon as possible. This bill is of the highest priority to me, and I hope we can complete our work as soon as possible.
- Although we are unhappy with titles I and II of the noise bill, the Senate Commerce Committee has made changes in both those titles to lessen our concerns. We are doing all we can to hasten Senate consideration of the noise bill so that the deregulation bill can be finalized.

1 Bill for 3 yrs LIPW

1 Bill LIPW

#42 bil other Urban



THE WHITE HOUSE  
WASHINGTON

July 12, 1978

The Vice President

The attached was returned in  
the President's outbox. It is  
forwarded to you for appropriate  
handling.

Rick Hutcheson

cc: Hamilton Jordan  
Zbig Brzezinski

MEETING FOR MRS. SHCHARANSKY



	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION  
FYI

	ADMIN CONFID
	CONFIDENTIAL
	SECRET
	EYES ONLY

<input checked="" type="checkbox"/>	VICE PRESIDENT
	EIZENSTAT
<input checked="" type="checkbox"/>	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
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	MCINTYRE
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	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

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	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

THE WHITE HOUSE  
WASHINGTON

Mr. President:

Zbig has seen this memo  
and has no comment.

Rick/Bill



OFFICE OF THE VICE PRESIDENT

WASHINGTON

July 11, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: The Vice President *WM*  
SUBJECT: Request for Meeting by Mrs. Shcharansky

Mrs. Avital Shcharansky, wife of Anatoly Shcharansky, is planning a visit to the United States in the near future and has asked if she may call on me. She made this request in person during a brief meeting in Israel on July 3, and she has renewed the request through her American hosts and the Union of Councils for Soviet Jews.

As you know, I first met Mrs. Shcharansky at a ADL luncheon on November 20, 1977. I am inclined to honor her request for an appointment. My position in a meeting with her would be to hear the details of her case sympathetically, to note the statements of the Administration on her husband's trial, and to assure her that your Administration will continue to do what we appropriately can. However, given the importance of the Shcharansky case to US-Soviet relations, I would appreciate your guidance on Mrs. Shcharansky's request for an appointment.

Approve meeting with Mrs. Shcharansky ✓

Disapprove meeting with Mrs. Shcharansky at this time \_\_\_\_\_

*J*

9:45 AM

THE WHITE HOUSE

WASHINGTON

July 11, 1978

C

MEETING WITH SPEAKER O'NEILL (D-8-MASS.),  
JIM WRIGHT (D-12-TEX.), DAN ROSTENKOWSKI (D-8-ILL.).

Wednesday, July 12, 1978

9:45 a.m. (15 minutes)

Cabinet Room

From: Frank Moore *xm. /pd.*  
Bob Beckel *BB*

I. PURPOSE:

To discuss Turkish Arms Embargo

II. BACKGROUND, PARTICIPANTS AND PRESS PLANS

Background: Speaker O'Neill and Jim Wright have both stated opposition to lifting the Turkish Arms embargo. The Speaker has long supported Brademas and the Greeks on this issue. Jim Wright has voted in the past to lift the embargo and it is only this year that he has switched his position. Rostenkowski has supported the embargo, but has now decided to support you. He is keeping a low profile, however, in deference to O'Neill and Brademas.

The absence of Democratic leadership support for lifting the embargo has seriously undermined our efforts to get commitments from undecided Democrats. Additionally, the Republicans who are supporting you in large numbers are angry that they must carry a debate that, if successful, will give you another foreign policy victory. With the vote a few weeks away it is critical that we either neutralize or convert the House leadership.

Rostenkowski suggested this meeting with you and Secretary Brown. He believes our best chance of converting O'Neill and Wright would be an appeal for support on national security grounds. Rostenkowski will speak out in support during the meeting.

We do not believe that O'Neill will change his position, but you may convince him to take a passive roll by not twisting arms or taking the House floor in support of Brademas. Our supporters do not expect O'Neill to switch, but they insist he must not be active.

Wright, on the other hand, may switch. He has sent signals that he is looking for a hook to support you, e.g. additional Turkish troop withdrawals. Wright substantively supports your position, and is opposing us out of alligance to Brademas and leadership politics in general. Rostenkowski believes he is ready to come over with strong defense arguments. Secretary Brown has been briefed on the situation.

If you can neutralize the Speaker and gain Wright's support we will be in good shape in the House. This will free our quiet supporters like Rostenkowski to be more openly supportive and take pressure off the Republicans who feel very much alone.

FYI: Brademas continues to make sounds about a compromise. He has suggested that the Turks put New Famagusta under U.N. control. The State Department has been talking to the Turks about this. You can expect O'Neill or Wright to ask about additional Turkish concessions.

Participants: The President, O'Neill, Wright, Rostenkowski, Secretary Brown, Frank Moore

Press Plans: None

THE WHITE HOUSE  
WASHINGTON

July 12, 1978

Stu Eizenstat  
Frank Moore

The attached was returned in the  
President's outbox today and is  
forwarded to you for appropriate  
handling.

Stu -- please notify HEW.

Rick Hutcheson

cc: Jim McIntyre

IMPACT AID COMPROMISE

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND
<input type="checkbox"/>	NO DEADLINE
<input type="checkbox"/>	LAST DAY FOR ACTION -

STN - PLS NOTIFY MEW

ACTION  
FYI

<input type="checkbox"/>	ADMIN CONFID
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<input type="checkbox"/>	VICE PRESIDENT
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<input type="checkbox"/>	JORDAN
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THE WHITE HOUSE

WASHINGTON

July 11, 1978

C

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*  
FRANK MOORE

SUBJECT: Impact Aid Compromise

The attached memorandum from Secretary Califano describes a proposed compromise on Impact Aid in the Elementary and Secondary Education Act, which will be before the House of Representatives tomorrow.

Background

As you know, the Administration proposed a moderate reform of Impact Aid, with no budget impact in FY 1979 and savings reaching \$350 million in FY 1983.

The House Committee rejected the proposed reforms and authorized \$340 million in new authority.

The Ford Proposal

Representative William Ford (D.-Mich.), a key member of the Education and Labor Committee and the key proponent of labor's amendments to our Civil Service Reform Bill on the Government Operations Committee, has proposed a compromise. His amendment would:

- o Cut the increase in authorization above current services from \$340 million to \$131 million, with \$111 million of this increase dedicated to public housing-impacted districts.
- o Achieve no major reforms in the present system.

Representative Ford will offer this amendment only if we support it and work for no other reductions in the House. We would remain free to work for further reductions in the Senate and through the appropriations process but would not veto the bill on Impact Aid grounds if the Ford amendment prevails.



### Link to Civil Service Reform

Representative Ford is heading the group of Democrats proposing pro-labor amendments to our Civil Service bill. While we may be able to beat their amendments, Representative Ford and his allies can combine with anti-reform elements to prevent the Government Operations Committee from reporting any bill.

Representative Ford is currently negotiating with Scotty Campbell a scenario in which the bill can be reported from Committee with just enough pro-labor provisions to permit his forces to vote for reporting -- with the expectations (which we share) that these provisions will be further diluted in the full House and Conference to the point of clear acceptability to the Administration.

We have talked with Representative Ford. While there is no "linkage" and he will not cut a deal (he could not because many of his followers on civil service have no direct interest in Impact Aid), it is clear that an Impact Aid agreement will much improve the climate of the civil service talks.

### Recommendation

Frank and I recommend agreement with Representative Ford for the following reasons:

- o The Ford proposal is reasonable in view of legislative realities - we are very unlikely to do better in the House.
- o It might be possible to further reduce Impact Aid through use of a veto - but with all the major issues (energy, taxes, civil service, water projects, highway/transit bill, appropriations) which will consume our energies over the summer and fall, we do not believe vetoing this authorization over this issue is worth it.
- o Most of the increased authorization is for public housing. Historically this is the weakest part of the Impact Aid constituency. There will be no added funds this year and the prospects for limiting or eliminating appropriation increases in future years are relatively good.
- o While we would make this recommendation in any event, it is strengthened by the desirability of securing Representative Ford's procedural help on Civil Service Reform.
- o We are free to fight this authorization in the Senate and to seek lower appropriations in the House and Senate.



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D. C. 20201

July 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM JOE CALIFANO *Joe*

SUBJECT: IMPACT AID UPDATE

I am attaching a copy of my latest weekly report which discusses Impact Aid strategy in the House. Since that report was drafted, Congressman Ford has said that he will not support the package amendment reducing the Impact Aid authorization by more than \$200 million unless the Administration agrees to support the package and offer no further amendments.

We now face the following choice.

Option #1. We can lock up a deal with Ford and the education lobbies. This will cut the Impact reauthorization by more than \$200 million (by more than \$1.2 billion over five years) as compared with the bill reported out by the Education and Labor Committee, but it would still be \$100 million more (\$800 million over five years) than the projected costs of the current program.

Option #2. We can seek to find Democratic sponsors for a broader package amendment that would include the "Ford" amendment but also additional amendments that would embody some reform and that would return the reauthorization levels to current services. Although this approach holds out the possibility of greater reductions, it is also far more problematic.

If we choose Option #1, then we are assured of the reductions in both Houses. If we choose Option #2, then we will not have the support of any House Education and Labor leaders for any part of a reduction package and may have trouble finding reputable Democrats who will buck that leadership on a current services package. We thus risk getting little or no reduction in the Impact reauthorization in the House (although we can still pursue the fight in the Senate and on the appropriations front).

In addition to impact aid questions, Bill Ford has today raised both with Scotty Campbell and with us the relationship in his mind of our attitude on this to his work on our behalf for civil service reform. He says that he "will work a lot harder for civil service reform if he doesn't have to spend much energy fighting impact aid."

In my view, this is a very close question. On balance, I favor accepting the compromise and working with Congressman Ford if we can be sure, first, that the education lobbies will support the compromise in the Senate and, second, that Ford will work hard for civil service reform. Although the House is very unpredictable, and may slash the reauthorization level for Impact Aid, we should take the substantial reductions that are presently available through the Ford compromise. If a Republican amendment to cut the program further passes, so much the better.

By going with the Ford compromise, you will, of course, give up the veto threat. And it is possible that the threat will lead to significant reductions in the Senate and the Conference.

\_\_\_\_\_ Option #1, go with Ford compromise  
(recommended)

\_\_\_\_\_ Option #2, seek to return to current  
services



THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE  
WASHINGTON, D.C. 20201

July 7, 1978

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Weekly Report on HEW Activities

The following is my weekly report on significant activities in the Department of Health, Education, and Welfare:

- World Health Meeting. The World Health Organization is sponsoring a major conference on primary health care and prevention, scheduled for September in the Soviet Union. Dr. Julius Richmond, the Surgeon General, is expected to head the U. S. delegation. Senator Kennedy is planning to attend as part of the U. S. delegation.
- Press Coverage. Eileen Shanahan, the Assistant Secretary for Public Affairs, has compiled a comprehensive list of the Italian-American press, and has shared the list with Jody Powell's office. We are sending all major HEW speeches and press releases to these publications and to those on the Catholic Press Association list.
- National Health Insurance. Independently, Al Ullman and Dan Rostenkowski have each voiced to me this past week their strong opposition to your sending a national health proposal to the Congress this year. They do not even want me to unfold tentative HEW plans or options until after the election. Ullman indicated that he would have to publicly express his view that sending a national health plan up at this time is "completely irresponsible".
- Impact Aid. Several weeks ago, I suggested a strategy to cut back on the Impact Aid authorization increases included in the elementary and secondary education legislation reported out by both the House and Senate Education committees. (See attached Weekly Report.) Here is where we stand on the eve of House floor action which is scheduled for next Tuesday and Wednesday, July 11 and 12:
  - House Committee Action: The Education and Labor Committee (Perkins) added \$340 million in new authority above the current services level of \$811 million. The add-ons were out-of-state and out-of-county entitlements (\$62 million), absorption repeal (\$39 million), increased hold-harmless payments (\$89 million), handicapped increase

(\$34 million), \$6 million for heavily impacted districts, and \$111 million increase in public housing entitlements.

- Education Lobby Position: Although we had thought that it would be difficult to make progress in the House, as a result of pressure from us, from other members and from Proposition 13, the Impact representatives may be prepared to support reductions in the following areas:

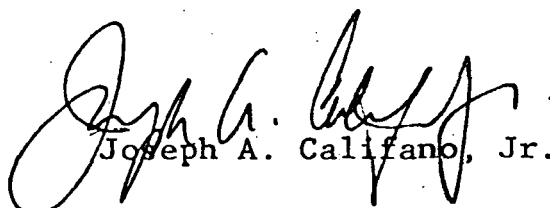
- out-of-state/county	\$31 million
- hold harmless	149 million
- handicapped	34 million

This still leaves the bill at \$950 million, or \$139 million above current services. Regardless of our position, this amendment may be offered by Congressman Ford -- and if offered by him is likely to pass.

- Additional Administration Amendments: We should support the Ford Compromise if offered by others, but we should also propose three amendments to the bill beyond the compromise that would return the program to current services this year and that would include some outyear reform. These changes would include termination of out-of-state and out-of-county entitlements, restoration of absorption requirements, and a percentage decrease in all civilian "B" payments. This, plus the Ford package, would yield an FY 79 authorization at the current services, \$811 million level, as well as some of the reforms in our original legislative package.

Our chances on these amendments are problematic: the House is so volatile that predictions are hazardous. Even with the budget cutting mood in the House, we do not think it possible to find a Democrat to offer cuts to reduce authorization levels below current services this year.

We will continue our efforts on the impact authorization issue in the Senate with the help of Senator Eagleton. On the appropriations issue, Senator Magnuson has indicated his willingness to help us cut below current services.

  
Joseph A. Califano, Jr.

On balance, and very reluctantly, OMB concurs in the Eizenstat-Moore-HEW recommendation. OMB sees the issue as whether you want to go to the mat with a veto of this authorization----and concludes that our efforts should be targetted toward legislation with more direct budget impact.

Decision

✓

\_\_\_\_\_ Agree to support Ford Compromise in House.  
(HEW, OMB, DPS, CL)

\_\_\_\_\_ Disagree

J

D I CZCZYVRYR A519

7PM-YOUNG:430

7WITH TRIALS

7BY ANDREW MARSHAM

7ASSOCIATED PRESS WRITER

GENEVA, SWITZERLAND (AP) - ANDREW YOUNG, THE AMERICAN AMBASSADOR TO THE UNITED NATIONS, SAID TODAY THERE ARE "HUNDREDS, PERHAPS THOUSANDS OF POLITICAL PRISONERS IN THE UNITED STATES," BUT IN THE SOVIET UNION THE NUMBER IS MORE LIKELY TO BE "TENS OF THOUSANDS."

YOUNG SAID IN AN INTERVIEW THAT THE TRIALS OF DISSIDENTS IN THE SOVIET UNION "REMINDED ME VERY MUCH OF MY OWN DAYS IN THE CIVIL RIGHTS MOVEMENT WHEN PEOPLE IN THE SOUTH SAID HE WERE COMMUNISTS BECAUSE HE WANTED TO EXERCISE CERTAIN FREEDOMS."

"NOW THE COMMUNISTS ARE SAYING THESE (DISSIDENTS) MUST BE CAPITALIST SPIES. IN MANY WAYS, I THINK THE SAME THINGS APPLY."

YOUNG SAID THERE WAS NOBODY IN PRISON IN THE UNITED STATES FOR CRITICIZING THE GOVERNMENT OR FOR MONITORING IMPLEMENTATION OF HUMAN RIGHTS, BUT THERE WERE "ALL VARIETIES OF POLITICAL PRISONERS."

WHEN ASKED TO ELABORATE, HE SAID: "I DO THINK THERE ARE SOME PEOPLE WHO ARE IN PRISON MUCH MORE BECAUSE THEY ARE POOR THAN BECAUSE THEY ARE BAD. BUT THAT'S A PROBLEM WE ARE WORKING ON AND ONE ON WHICH WE ARE MAKING GREAT PROGRESS."

HE SAID HE HOPED THE UNITED STATES COULD HELP THE SOVIET UNION TO "OUTGROW THEIR PARANOIA ABOUT PEOPLE WHO WANT TO BE FREE, SPIRITUALLY AND INTELLECTUALLY. IT WOULD STRENGTHEN THEIR SYSTEM."

YOUNG SAID HE AGREED WITH THE WHITE HOUSE DESCRIPTION OF THE TRIALS AS A REPRESSIVE ACTION STRIKING THE CONSCIENCE OF THE ENTIRE WORLD.

"BUT IT ALSO STRIKES THE CONSCIENCE OF THE ENTIRE WORLD WHEN WE DO RIDICULOUS THINGS LIKE THAT."

THE AMBASSADOR IS IN GENEVA FOR A SESSION OF THE U.N. ECONOMIC AND SOCIAL COUNCIL AND HIS TRIP IS UNRELATED TO THE ARMS TALKS BETWEEN SECRETARY OF STATE CYRUS R. VANCE AND SOVIET FOREIGN MINISTER ANDREI A. GROMYKO. VANCE AND GROMYKO ARE ATTEMPTING TO REMOVE THE LAST OBSTACLES TO A SECOND STRATEGIC ARMS LIMITATION TREATY. THE SECRETARY OF STATE WAS TO DELIVER A MESSAGE FROM PRESIDENT CARTER TO SOVIET PRESIDENT LEONID I. BREZHNEV EXPRESSING U.S. CONCERN OVER THE DISSIDENT TRIALS.

VANCE ALSO PLANS TO MEET AVITAL SCHARANSKY, WIFE OF JEWISH ACTIVIST ANATOLY SCHARANSKY, WHO IS ON TRIAL IN MOSCOW ON CHARGES OF ESPIONAGE. MRS. SCHARANSKY IS TRYING TO MOBILIZE WORLD PUBLIC OPINION FOR HER HUSBAND.

"MRS. SCHARANSKY DOES NOT DICTATE U.S. POLICY," YOUNG SAID. HOWEVER, HE SAID: "VANCE SHOULD MEET HER AND IT SHOULD BE A COURTEOUS MEETING."

"THERE ARE SEVERAL HUNDRED MILLION PEOPLE IN RUSSIA AND SEVERAL HUNDRED THOUSANDS OF THEM ARE LOOKING TO US FOR HELP. BUT THERE ARE MILLIONS OF PEOPLE IN LATIN AMERICA, IN AFRICA AND IN THE MIDDLE EAST" THAT ARE DEPRIVED OF HUMAN RIGHTS.

"YOU CANNOT STOP THE WORLD BECAUSE OF A TRIAL NO MATTER WHERE IT IS AND WHO IT IS," HE SAID.

AP-NY-07-12 1123EST

FROM : Irv Sprague  
SUBJECT: Leadership Breakfast, White House, 8:00 a.m., Tuesday

THIS WEEK

National Parks Act  
Agriculture Supplemental  
ESEA Amendments  
DOE Authorizations  
Civil Rights Commission  
Coal Slurry Pipeline  
12 Suspensions  
3 District Bills

Fritz  
J

NEXT WEEK (Tentative)

Fiscal '78 Supplemental Appropriations  
Foreign Aid Appropriations  
Deep Seabed Mining  
Complete Housing  
12 Suspensions  
(Holdovers from this week)

APPROPRIATIONS

Full Committee this week: (a) \$7 billion Fiscal 1978 Supplemental,  
(b) D.C. July 27 - Defense.

OMB and Appropriations Committee agree that on 10 House-passed bills the combined budget authority figures are below the total Budget requests. However, there remain substantial policy differences.

Awaiting House action:

Fiscal 1978 Supplemental  
Foreign Aid

D.C.  
Defense

TAX BILL

Secretary Blumenthal still attempting to put together 19 Democrats on a compromise package without Steiger. Expect to get up to 15 by Wednesday and then try to deal with Ullman and others on what it takes to get the last 4.

ENERGY

Senate this week will take up coal conversion conference report. Natural gas conference report will be ready in about two weeks. Oil tax conferees meet this Thursday, but no action expected.

DOE AUTHORIZATION (Clinch River)

This week. Flowers-Teague compromise to be offered as Floor amendment would permit design to continue but ban any actual construction.

TREASURY APPROPRIATIONS

Senate added language removing President's authority to impose oil import fees. House is ready to go to conference Tuesday. There may be motion to instruct.

CIVIL SERVICE REFORM

Markup underway. Veterans preference problem.

DEBT LIMIT

Expires July 31. Hearings underway. (Last vote failed 167 to 228.)

HOSPITAL COST CONTAINMENT

Markup continues Tuesday. Very slow. Very close.

AIRLINE DEREGULATION

Probably will go to Rules next week. Bizz ~~probably~~ will ask for separate rules, but tandem scheduling of noise and decontrol.

FUTURE SCHEDULE

Attached is the detailed legislative summary listing status of the 12 priorities, 53 major issues, 16 bills in conference, 12 measures passed House and Senate, 38 passed House and 29 passed Senate. After this week there will be 42 legislative days before October 1.



THE WHITE HOUSE  
WASHINGTON  
July 12, 1978

Stu Eizenstat

The attached was returned in the President's outbox today and is forwarded to you for your information.

Rick Hutcheson

ROBERT STANSBERRY

	FOR STAFFING
	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
	LOG IN/TO PRESIDENT TODAY
	IMMEDIATE TURNAROUND
	NO DEADLINE
	LAST DAY FOR ACTION -

ACTION  
FYI

	ADMIN CONFID
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	EYES ONLY

	VICE PRESIDENT
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	JORDAN
	KRAFT
	LIPSHUTZ
	MOORE
	POWELL
	WATSON
	WEXLER
	BRZEZINSKI
	MCINTYRE
	SCHULTZE

	ADAMS
	ANDRUS
	BELL
	BERGLAND
	BLUMENTHAL
	BROWN
	CALIFANO
	HARRIS
	KREPS
	MARSHALL
	SCHLESINGER
	STRAUSS
	VANCE

	ARAGON
	BOURNE
	BUTLER
	H. CARTER
	CLOUGH
	COSTANZA
	CRUIKSHANK
	FALLOWS
	FIRST LADY
	GAMMILL
	HARDEN
	HUTCHESON
	JAGODA
	LINDER
	MITCHELL
	MOE
	PETERSON
	PETTIGREW
	PRESS
	RAFSHOON
	SCHNEIDERS
	VOORDE
	WARREN
	WISE

THE WHITE HOUSE  
WASHINGTON

July 10, 1978

done  
J

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT

Stu

SUBJECT: Robert Stansberry of USDA

Attached is an article from last week's Washington Post which clearly indicates that a Robert Stansberry of the Agricultural Stabilization and Conservation Service is openly disagreeing with the Administration's sugar policy and has even provided "technical help" to Senator Stone with the drafting of his bill.

I have checked with my staff to see if these allegations are accurate, and have found that they are, if anything, understated. Stansberry, a very senior career official, is widely regarded in the sugar community as an open opponent of our position.

I recommend that you ask Secretary Bergland to investigate the Post's charges and, if found true, take the appropriate disciplinary or removal action.

If we allow policy officials like Stansberry to oppose our positions in an open and flagrant way, we will never be able to impose the necessary type of discipline on the bureaucracy.

cc: Hamilton Jordan  
Jody Powell  
Frank Moore  
Jerry Rafshoon

# Trying to Lead the USDA Through the Thicket of Politics

This is the second in a two-part profile of the U.S. Department of Agriculture.

By Dan Morgan

Washington Post Staff Writer

At the U.S. Department of Agriculture, sugar has become a sour symbol of bureaucratic disarray.

Consider these items of recent note:

- The State Department—a foreign affairs agency—drafted a proposed version of a domestic sugar price support bill before the USDA did.

- A sugar industry lobbyist obtained a copy of the USDA's proposed sugar measure before key members of Congress did. This fact emerged at a public House hearing when the lobbyist helpfully offered to make his copy available to the members of Congress.

- The USDA's chief sugar expert disagrees with the administration's sugar policy, says so publicly and has provided technical assistance to a group of senators drafting an opposing bill.

"Sugar has been the tarbaby for us," said a chagrined USDA official. "Every time we take a swing at it we get stuck worse."

To some inside the government, as well as outside of it, the USDA's sugar difficulties are indications of a department that is getting lost in the thicket of Washington politics.

This view is expressed by a former high official of the department who describes Secretary Bob Bergland as "a farmer who is basically over his head." Bergland will survive, he adds, "only if it is quiet in the next six months and there are no further disasters."

This is not, however, a unanimous verdict.

Bergland's allies—including loyal subordinates at USDA, Vice President Mondale and former congressional associates, such as House Agriculture Committee Chairman Thomas S. Foley (D-Wash.)—say things are not that bad over on Independence Avenue.

Bergland's former deputy secretary and now Democratic National Committee Chairman John C. White ranks Bergland as one of the three most effective Cabinet members, along with Secretary of Transportation Brock Adams and Secretary of the Interior Cecil D. Andrus.

"I'm in love with Bob Bergland," White says. "He's the neatest guy I ever ran into."

Bergland's supporters say that the politician hasn't been born who can manage the USDA. They add that his predecessor, Earl L. Butz, never really tried. Butz was content to operate as a one-man Department of Agriculture who ignored the USDA's bureaucracy and felt that the less the agency did the better.

The USDA has been described as "the last unexplored territory in America"—a department that is really not a department at all but a collection of agencies with semi-sovereign powers: the Forest Service, the For-

eign Agricultural Service, the Agricultural Research Service, the Soil Conservation Service and so on. The USDA runs one of the federal government's largest police forces—the nearly 8,000 meat, poultry, vegetable, plant and grain inspectors.

For years, the 20,000-member Forest Service has had the same kind of autonomy as the FBI has had in the Justice Department. And its director,

## THE DEPARTMENT OF AGRICULTURE



John J. McGuire, is respectfully referred to as "Chief McGuire," even by political appointees who technically are his superiors.

These bureaucratic subdivisions all have their own commercial constituencies and direct links to key members of Congress. Huge timber companies, which bid for contracts to cut trees in national forests, turn to the Forest Service, and grain companies communicate with the grain division of the Foreign Agricultural Service.

The recent independence exhibited by Robert R. Stansberry Jr. of the Agricultural Stabilization and Conservation Service is cited by USDA officials as an example of the power of the sub-bureaucracy.

Sugar expert Stansberry has made no secret of the fact that he disagrees with the White House's tough stand against raising sugar price supports above 14.65 cents a pound for the 1978 crop. Stansberry provided technical help earlier this year to a Senate group headed by Sen. Richard Stone (D-Fla.) which came up with a bill with a support price of 17 cents. Stansberry said he made it plain that "I was not up there on the Hill for the administration," and adds that he hopes for a "compromise."

Stansberry hastens to add that he "hasn't been ostracized" at USDA, even though many officials in the top echelons of the department say they are angry at him. Stansberry is a longtime friend of Bergland from the days in the 1960s when Bergland was an official of the USDA.

Many of the subdivisions of the department maintain direct links to Rep. Jamie L. Whitten (D-Miss.), chairman of the House agricultural appropriations subcommittee. Whitten has been called the "permanent secretary of agriculture."

This year, Whitten performed such a brutal rewrite of Bergland's proposed budget that Bergland said it would "seriously impair my ability and the president's to manage the Department of Agriculture."

Whitten slashed Bergland's personal office account, and appropriated \$15.9

million more than Bergland sought for research and soil-conservation projects in various congressional districts. Whitten's subcommittee also did away with competitive bidding for federal research grants. The House bill swept through on a vote of 326 to 59 on June 22.

The independence of the secretary also has been eroded by sweeping changes in agriculture's position in the U.S. economy and in the structure of the food industry.

Now that agriculture has become a driving motor of the U.S. economy, with a profound impact on the trade balance, the health of the dollar and foreign policy, many people want more of a say in agricultural policymaking.

Under Bergland, this problem has been exacerbated by managerial and administrative difficulties.

As of June 27, Bergland had been out of Washington for 145 days of the 523 days he had been in office. He was absent for 107 weekdays.

The job of deputy secretary has been vacant since the end of January. This has contributed to administrative problems and declining morale at the USDA—a situation that has frequently been brought to the attention of President Carter. "We beg the president to fill that post, but nothing happens," lamented one USDA aide.

At least half a dozen candidates have been considered and have either been passed over or have declined to serve. The current leading candidate is Gene A. Triggs, assistant to the president of the Mississippi Chemical Corp. The retired board chairman of the company is Owen Cooper, a longtime friend and supporter of Carter.

In Bergland's absence the department is run mainly by his executive assistant, Lee Corcoran, and by Howard W. Hjort, the director of economics, policy analysis and budget. According to USDA insiders, these two men respect each other and work well together, but the absence of a strong administrative hand at the top has enabled intrigue and rivalries to flourish and mistakes to occur lower down.

Corcoran, a lawyer who graduated from the University of Minnesota in the same class as Vice President Mondale, is said by several sources to be the smartest and toughest of the old Minnesota associates on Bergland's payroll.

Corcoran describes himself as "a kind of a hustler" and "a little bit of a bastard," who concentrates on personnel matters and advises Bergland on the political impact of his decisions. But Corcoran also runs a policy review board.

Hjort, 46, a painstakingly thorough economist who has had experience as a USDA analyst and as a private consultant, has accumulated sweeping authority over almost all the agency's programs.

The criticism most often heard of Hjort is that he is overly conscientious in researching issues—a trait that sometimes has caused delays and slowdowns in the drafting of policy.





REP. JAMIE L. WHITTEN

... brutal rewrite of Bergland budget

"Howard is one of the finest economists in government," said a former official. "But he would be overworked if he had just two pieces of paper on his desk—that's how exhaustively he goes into things."

Hjort drafts farm programs and testifies about them before Congress, chairs an interagency working group on food and agriculture through which pass virtually all matters touching on USDA interests, chairs a working group that is drafting recommendations for future tree-cutting in national forests, is the USDA's "anti-inflation czar" and runs a world food board that puts together global estimates of supply and demand that are crucial to government policymakers.

Bergland describes Hjort as "a very good technician," but some insiders feel Hjort's role is bigger than that and the Montanan concedes that he has "a lot of responsibility."

There have been frictions between Hjort and another economist, Dale E. Hathaway, assistant secretary for international affairs and commodity programs. At one point, Hathaway's Foreign Agricultural Service resisted providing data to Hjort's World Food Board.

"You could say that FAS at that time was less than fully cooperative," Hjort recalls. The bureaucratic impasse has been resolved.

Hathaway has been out of the country much of the time attending international talks on trade liberalization and wheat and has surrendered much of his authority over domestic commodity programs to Hjort.

This has added to frictions, but insiders say personality differences may be the main problem. Hjort operates informally, while Hathaway has a reputation in the agency and in the commodity trade as being stiff and aloof.

"Hathaway receives calls from 4 to 4:30—as if he were the pope," said a Washington businessman involved in agriculture.

According to his friends, Bergland shows tension by rubbing his stomach. "When Howard and Dale are in a room together Bob will often be rubbing his stomach," said a former USDA official.

Bergland is the man who has ultimate responsibility for the successes and failures at USDA.

He came to office at a difficult time. Farm prices were falling rapidly, through no fault of the new Carter administration, and a comprehensive new farm bill was due, requiring decisions on price supports, loans to farmers and acreage targets for wheat, corn and cotton.

Bergland was forced to be the administration apologist in Congress for a farm price-support package he felt gave farmers too little. Congress forced through higher support levels.

Bergland maintains that the record of accomplishment since then has been creditable. USDA has promulgated new regulations to improve the safety, nutritional value and labeling of food. And it has issued policy proposals on trade, international wheat reserves, research and eligibility of farms of more than 160 acres for cheap irrigation water from federal dam projects.

But Bergland and his department still lack a strong profile. The sugar debacle was caused in part because the USDA was so slow drafting its own proposal that Stone and Sen. Frank Church (D-Idaho) drafted their own version. Some White House aides say this would not have happened if Bergland had taken a more aggressive role.

Bergland has emerged as a far more contradictory and controversial figure than the "nice guy" that he was seen to be when he took over.

Friends and critics say Bergland lacks "presence" and "swagger." Foley says he is a "quiet kind of hard worker."

Heads do not turn when Bergland enters a room.

"I've been sitting at a hearing wondering to myself where the devil the secretary of agriculture was when I suddenly realize he's the man with the shirt sleeves rolled up two seats away," said a congressman.

Former secretary Butz has been circulating a cutting joke about Bergland's low profile. It is about a USDA secretary who returns from a lunch break to find a message telling her to call her boss. "Did he leave his name?" she asks a coworker.

His image has not been helped by his tendency to get his facts wrong in public some of the time.

Soon after his return to Washington from a trip to the Soviet Union and Western Europe, Bergland made three misstatements during a one-hour briefing for reporters.

He said the Soviet Union was not a signer of the current international wheat agreement (it was); indicated that the administration would urge a sharp increase in the rate of tree-cutting in national forests (the review was still under way), and suggested that the administration might compromise on the level of sugar price supports (the White House denied this). Some said later that Bergland was suffering from jet lag.

However, Bergland's supporters say neither the USDA's record nor Bergland's performance in office justifies the snide criticisms.

They depict Bergland as a man of courage, integrity, political skill and (by Washington standards) unique lack of ego. "He is the least paranoid man in Washington," said an admirer, who added that Bergland is not defensive about mistakes.

Foley says Bergland is "the one guy I'd pick to go to the well with."

"He isn't a streetfighter," says an aide. "He's no Califano [Joseph A. Califano Jr., secretary of Health, Education and Welfare]. But he's stunned us all. When the pressure becomes intense and we are all looking for compromises, Bergland is the last one to back down."

While previous secretaries have tried to flatter and cajole the powerful Jamie Whitten, Bergland has attacked him publicly, accusing him of "interfering where it's none of his business," and making a veiled threat: "I have a way of dealing with him." Bergland explained that committee chairmen are now elected. (Whitten aspires to be chairman of the full House Appropriations Committee.)

Last spring Bergland talked tough to the militant American Agricultural Movement, which disrupted Congress by loosing goats in the corridors and demanding higher price supports. Today, Bergland speaks with disgust of senators who rushed through a bill to please the AAM. "The Senate was put to full flight," he says.

"Bob Bergland is not one of those guys who feels his manhood is attacked when his policies are attacked," says Carol T. Foreman, assistant secretary of agriculture for food and consumer affairs. "The Washington elite is uncomfortable with this administration because the decision-making process is different. Washington likes the kind of macho politician who signs off on everything."

Some of the seeming disarray in the USDA bureaucracy is attributable to the different style of the Carter administration, according to White. "We might look good," he said, "if we went back to the old system when everybody had to line up and salute, and you disagreed at the peril of your job."

That is not going to happen, he said.